

**25TH ANNUAL FAA AVIATION FORECAST CONFERENCE
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GARY DELLAPA'S REMARKS ON: ***ECONOMIC BENEFITS OF AVIATION: How MIA has impacted the local economy.***

- Over 70 years ago, back in 1928, Pan American Airways shifted operations from Key West to Miami and built a small airport called the Pan Am Field on a 116-acre tract of land. At the time, **this airport handled 8,600 passengers and 20 tons of cargo annually.**
- This small airport eventually became the foundation for one of the **largest and busiest airports in the world** known today as Miami International Airport.
- Today, Miami International Airport has become a multi- billion dollar industry **recording close to 1500 daily operations and handling 34 million passengers and 1.9 million tons of cargo a year.**
- MIA ranks **2nd in the U.S. for international passengers, 1st in the U.S for international freight and 2nd in the World for total freight.**
- MIA offers an extensive air service network to **over 160 cities worldwide covering all five continents** and including **direct cargo service to Asia.**
- Air service extends to more cities in Latin America and the Caribbean than any other airport in the Western Hemisphere making MIA a major transshipment point between the Americas, the Caribbean and Europe.
- More than **76% of all export** air trade between the U.S. and Latin America and the Caribbean departs via MIA, while **84% of the goods imported** from the same region into the U.S. arrive through MIA.
- In terms of international passenger traffic, the airport handles:
 - * **60%** of all U.S./South American traffic
 - * **44%** of all U.S./Central American traffic
 - * **34%** of the U.S./Caribbean passenger market
- The extensive route structure and frequency of service offered at MIA have led U.S. companies with international business plans, as well as multi-national companies, to headquarter their operations in Miami.
- Approximately **140 multinational companies** have Latin American headquarters in Miami and there are nearly **60 foreign consulates.**
- More than **75% of the space** in all of the large office complexes south of the airport is occupied by these major multi-national corporations, who need to be close to MIA for their extensive international travel.
- Likewise, the continual development of international air route networks has lured major banks and financial institutions to Miami as they play a vital role in the import/export industry.
- There are approximately **50 international banks** in Miami.
- MIA exports more than **\$500 million/month** of computers and telcoms equipment and

this is **projected to double to \$1 billion/month** in Information Technology exports over the next five years.

- We also handle **70 % of all U.S. air imports of perishables**, and **90% of all floral imports**.
- More than **65%** of all the commercial office/warehouse space west of the airport is directly related to the airport, with **400 freight forwarders**, **more than 100 floral importers**, and **hundreds** of export-import companies.
- In the past, Miami as described as the United States' outpost in the Caribbean and Latin America. Now, the community is more appropriately known as "Trade Capital of the Americas."
- In terms of tourism, **over 10 million people** visit us each year (**94% of whom arrive by air**) generating billions for our local economy and benefiting hotel and tourism services.
- Clearly, Miami-Dade County has become a center of international business, trade and tourism for the Western Hemisphere.
- MIA is the most critical economic engine in our community.
- Local economic impact from aviation is estimated at over **\$13 billion/year**, or more than **\$1 billion/month**, accounting for one quarter of the County's gross product.
- We spend about **\$1 million/day** on Operations and Maintenance and **more than \$1 million/day** on construction and expansion.
- MIA currently employs about **38,000 people** working directly at the airport and about twice that number in the various aviation-related facilities around the airport.
- Overall, the airport and its related activities generate approximately **200,000 local jobs**. One out of six jobs in the county is a direct or indirect result of the aviation industry.
- Future projections indicate that by the end of this year **half of the passenger traffic and 84% of the cargo** will be on international flights, turning the airport into an international mega-hub.
- It is projected that the airport will handle **40 million passengers and nearly 2.5 tons of cargo by the year 2005** - Just five years from now.
- In addition, forecasts by the U.S. Department of Transportation indicate that the airport is projected to grow **97% in enplanements**, compared to the **national average of 78%**.
- Likewise, the airport is projected to grow **39.4%** in operations, compared to **29%** for the projected national average in operations.
- Overall, during the past ten years **passenger volumes have increased 42%**, while **cargo volumes have increased 150%**.
- With demand projected to exceed supply for the next few years, MIA continues to plan to meet its future needs.
- Currently embarked on a **\$5.4 billion expansion** program.
- **\$1.4 billion** worth of improvements completed in the last few years.
- Through the end of 1999:
 - 376 construction projects were completed
 - 106 projects in the Planning and Programming stages
 - 128 projects in the Design, Bid and Award process
 - 104 currently under construction

- Since 1995 the terminal area has been extended over **1.4 million square feet**.
- Future terminal expansion **will add another 2.7 million square feet**.
- There are over **1.4 million square feet of new cargo facilities** in place.
- Within the next three years, we are planning to add nearly **1 million additional square feet of new cargo space**.
- Current and future major improvements include:
 - * new tower
 - * 4th runway
 - * AA's Miami World Gateway Terminal
 - * Fedex international hub facility
 - * New cargo buildings for Lan Chile, UPS, Fine Air, United Airlines and American Airlines
 - * New maintenance hangars for Avborne Maintenance, Inc. and Atlas Air
 - * Ground transportation improvements
- We must continue to develop MIA into the world-class facility needed to compete in the global marketplace of the 21st century in order to remain the Gateway to the Americas and the World.
- As the most important economic engine in our community, MIA must continue to grow and thrive. The economic prosperity of our community depends on MIA's future success.